

TESTIMONY OF

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BEFORE THE

COMMITTEE ON THE JUDICIARY  
SUBCOMMITTEE ON IMMIGRATION AND CLAIMS  
U.S. HOUSE OF REPRESENTATIVES

CONCERNING

NATURALIZATION APPLICATION CASELOAD

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ROOM B-352 RAYBURN HOUSE OFFICE BUILDING 2:00 P.M.

Mr. Chairman Members of the Subcommittee:

I am pleased to have this opportunity to provide you with information on the pending and anticipated naturalization caseload, how the backlog has risen, and INS' efforts and plans to reduce the backlog. Before I address the backlog in naturalization processing, I would like to highlight the significant progress the INS has made in the naturalization program since April 1997, and some of our plans for continuing improvements.

INS has achieved tremendous success in ensuring the integrity of the naturalization process. Specifically, in December 1997, the KPMG audit of INS naturalization procedures found that INS had effectively implemented the new naturalization quality procedures designed to ensure the integrity of naturalization processing. INS is also in the process of implementing a new fingerprinting program. This program will utilize a network of "Application Support Centers" (ASCs) overseen by INS employees. The ASC staff will verify each applicant's identity and fingerprint the applicant using either ink or live-scan fingerprint machines. The ASC staff will forward fingerprint cards to INS service centers, and, in turn, to the FBI for processing. INS will use a combination of 75 free-standing ASCs, 51 ASCs co-located within existing INS office space, 44 mobile fingerprinting units, and 38 designated law enforcement agencies to provide nationwide coverage.

In addition to these integrity-strengthening measures, INS has instituted several measures to standardize processing, including new automated systems and Direct Mail for all naturalization applications. Direct Mail allows for up-front processing of naturalization applications to be completed at the 4 highly-automated INS service centers, focusing field office resources on conducting interviews and adjudicating applications. INS is also dramatically increasing naturalization information available on the public INS Internet Website - including naturalization forms, citizenship study materials and a "self-test", and eligibility information. INS hopes to institute an on-line system to allow status inquiries, as well.

These changes have laid the groundwork for INS to deliver better service to its customers and to implement the long-term changes recommended by Coopers and Lybrand. These changes are well underway, and underlie our plans to reduce the level of pending naturalization applications.

### **How did the Backlog Arise?**

The naturalization processing backlog is a result of two primary factors: unprecedented levels of new application filings and increased quality assurance measures introduced into a manual, paper intensive processing environment. In the last few years, INS has received historically high levels of new naturalization applications. For example, in FY 1993, the INS received only 521,886 applications. In FY 1997, INS received nearly 1.6 million naturalization applications, more than triple that received in FY 1993. The number of staff in FY 1997, however, were only half again as much as compared to FY 1993.

In FY 1996, in order to address rising levels of pending applications and improve waiting times, the INS began the Citizenship USA program. With increased staff and additional funding, the INS completed 1,334,000 applications. To address weaknesses identified in naturalization procedures, INS implemented new naturalization quality procedures in June 1997. The most important changes in quality procedures include requiring definitive response from the Federal Bureau of Investigation (FBI) background check and the receipt of an applicant's permanent A-file prior to the time of interview and adjudication of the application.

These procedures focused INS staff resources on integrity and quality by requiring manual notation of all quality assurance steps, and supervisory review to ensure that all steps had been completed before the applicant could be naturalized. The results of our naturalization quality procedures were a strengthening in our naturalization process, as validated by KPMG Peat Marwick in its December 1997 report.

Unfortunately, because the naturalization quality procedures are currently manual, non-automated processes, these procedures; while strengthening integrity, have lessened productivity, during a time when our receipt of new naturalization applications have continued at an all-time high level. Consequently, waiting times for applicants have increased.

Now that the INS has fully implemented the naturalization quality procedures and is ensuring that our naturalization decisions have integrity, INS must turn its focus on increasing productivity while maintaining this high quality adjudication. Before addressing specific plans for backlog reduction, it is

important to understand the nature of funding for naturalization processing.

### **How is Naturalization Case Processing Funded?**

Naturalization application processing is a fee-funded service, paid for by applicants. Money paid by naturalization applicants is deposited, along with the fees collected from other INS immigrant benefit applicants, into the Examinations Fee Account. While these fees are intended to cover all operating costs and enhancement expenses; the current fee of \$95 does not recover all the costs to process naturalization applications. INS has published a proposed regulation to increase the costs of immigrant benefit applications, including naturalization, to meet the costs actually incurred. The fee for naturalization would increase to \$225.

In our reprogramming request, forwarded to Congress in July 1997, and approved in the Appropriations Act of 1998 on November 26, 1997, we requested the reprogramming of \$150 million in funds and positions out of the Examinations Fee Account to improve and ensure integrity, and overhaul our processes. In terms of staffing, this funding provided for 121 permanent and 400 term positions. (See Attachment 1). In this reprogramming, INS received all the funds available in the Examinations Fee Account for this fiscal year. INS also reallocated over \$30,000,000 in base funding from the Examinations Fee Account to meet the cost of fundamentally restructuring the naturalization program.

This additional funding, as well as \$16.8 million in appropriated funds for fingerprint machines, has made tremendous progress possible for the INS in several areas. These include: dedicating staff and resources for naturalization case processing under new quality procedures, planning and implementation of a complete, in-house fingerprinting program, and transition filing of all naturalization applications from our field offices to our four service centers. These programs are integral to ensuring both integrity and improved customer service in the years ahead. However, the limitations of funding within the Examinations Fee Account do limit staff resources available for processing naturalization and other benefit applications.

## **How Does INS Intend to Reduce the Backlog?**

Because of Congressional expectations that INS more effectively use its existing workforce, and the need to implement sound business practices, our efforts have focused primarily on revamping our processes to remove as much of the manual, paper driven aspects of our processing as possible. While our current efforts will significantly improve processing for new applications filed after implementation, they result in only limited benefits for applications already pending in the existing caseload.

The INS has developed a three-pronged approach for each office processing naturalization applications to reduce the number of pending applications. A team of INS headquarters staff, supplemented by experienced personnel from the field, are evaluating each office to develop unique plans to reduce the number of pending applications. The three-pronged approach consists of: (1) determining where in the system applications are backlogged (otherwise known as "choke points"); (2) determining the cause of the "choke points"; and (3) creating solutions for each office. These solutions generally fall into two categories: changing practices and adding resources.

INS processes naturalization applications in 33 districts, comprised of 80 offices. For each of these 33 districts, we have completed step (1), determining where in the system applications are backlogged. For 15 offices we have completed, and four offices will shortly complete, step (2), determining the causes of the choke points.<sup>1</sup> We anticipate completing step (3) for these 19 offices shortly, and are in the process of developing unique office-by-office solutions. General examples of these solutions include: scheduling of applicants with expired prints for reprinting at one of our ASCs, including a letter with the scheduling notice instructing applicants as to what documentation they must bring to the interview so that fewer cases must be continued, and changed internal processes to ensure that only applications for which necessary integrity steps have been completed are scheduled.

Los Angeles, one of the first districts visited by a backlog reduction team, provides a good example of INS current approach to reducing the number of pending naturalization caseloads. In Los

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<sup>1</sup> The 15 offices are: Baltimore, Washington. DC, Los Angeles, San Francisco, Chicago, New Orleans, San Antonio, Seattle, Dallas, El Paso Houston, Boston, Newark, Miami. and San Diego. The additional 4 offices are: Harlingen, Denver, Philadelphia, and New York City.

Angeles, the team identified a backlog of approximately 200,000 continued cases, which were on hold because the FBI clearance had expired. The team also determined that cases were pending for a long period of time because an insufficient number of interviews were being scheduled. The process and resource solutions developed to address these choke points include: increasing from 15 to 45 the number of adjudicators assigned to continued cases and increasing 36 to 76 the number of clerks assigned to continued cases; acquiring additional space to centralize continued case processing; adding 33 adjudicators to staff beginning July 1998; increasing from 48 to 89 the number of adjudicators conducting naturalization interviews; and increasing from 55 to 78 the number of clerks supporting naturalization interviews; and increasing the number of interviews scheduled per month from 5,247 in December 1997 to 41,200 in June 1998 (over 2,000 interviews per day).

These 19 offices for which we are developing such unique backlog reduction plans comprised approximately 90 percent of our incoming workload and applications pending last fiscal year. Until we can complete a more thorough analysis, the remaining offices, representing less than 10 percent of our workload, are receiving information on best practices derived from our experiences in the offices we have visited.

Attached is information for each of our 33 districts on the level of pending cases and the average waiting times experienced by applicants. (See Attachment 2).

### **What is the Status of INS Major Naturalization Initiatives?**

Many of the procedural changes we need to lessen these backlogs are major initiatives for the Service. These major initiatives include: Fingerprinting, Direct Mail, Records Centralization, Automation, and new Naturalization Quality Procedures. These initiatives are all aimed at ensuring integrity, standardizing processing for all offices, providing ready communication with our customers, and increasing the productivity of our existing workforce. The goal of these initiatives is to provide field offices with the optimal tools to make quality decisions in a timely manner.

Successful implementation of these initiatives is critical to creating a solid platform from which to process increased numbers of applications. The status of these initiatives is as follows:

1. The implementation of INS' in-house Fingerprinting Program is on-track and will soon be fully operational. On March 17<sup>th</sup>, INS published an interim rule to implement the final phase of this program. By the end of March 1998, 75 application support centers (ASCs), 51 ASCs co-located, with existing INS offices, 44 mobile routes, and 38 designated law enforcement agencies operating under sole source agreements with INS will take all fingerprints for all immigration benefit applications requiring a FBI background check. We have purchased 100 live-scan fingerprint machines so far. We intend to purchase approximately 300 additional machines with money provided in the 1998 Appropriations Act once a cost benefit analysis of vendors is complete.

2. The Direct Mail program, under which all new naturalization applications are sent to one of our 4 highly automated service centers for up-front clerical processing rather than to the local offices, will be fully implemented by mid-April. At the beginning of FY 1998, only 4 offices (Los Angeles: New York City, Miami, mid Chicago) were utilizing Direct Mail. As of April 15, 1998, all 80 offices will have been transitioned to Direct Mail for all new naturalization applications filed.

3. The Records Centralization program was funded in the 1998 Appropriations Act. This program will provide for the housing, maintenance, and mid-tracking of A-files at a centralized facility. INS is fully prepared and funded to implement this project. We forwarded the notification required to lease and build out the central facility to the Appropriations Committee on November 6, 1997, and are awaiting their approval before we begin.

4. The implementation of our new automated case tracking system (CLAIMS 4.0) will automate many of the manual labor intensive, naturalization quality procedures and provide accurate and timely management reporting statistics to allow INS to quickly address changes in workload. Software development is mostly complete and CLAIMS 4.0 is in pilot at the Nebraska Service Center and the Chicago District Office. While the CLAIMS 4.0 is not yet performing optimally in the pilot, software changes continue to improve performance and deployment continues.

5. Development of automation of current manual procedures associated with our naturalization quality procedures, streamlined to take advantage of process changes, records centralization, and automation improvements gained with CLAIMS 4.0, will begin shortly. They will be fully implemented, when records centralization begins and the CLAIMS 4.0 system deployment is completed.

INS has announced its intention to increase the application fees for naturalization and other benefit applications, after service is improved. Once the new fees are implemented, additional revenue to cover naturalization operating base costs for new applications in FY 1999 and 2000 would be available.

#### **What are INS' Expected Timeframes for Backlog Reduction?**

INS' July 1997 reprogramming request projected that we would reduce the backlog of applications to between 6 and 10 months, nationwide, by the end of FY 1999. These projections were based on expected completion dates for several major initiatives and the expected date of approval of our funding request. Crucial initiatives however, such as Records Centralization and CLAIMS 4.0, which we hoped to have completed by the end of this fiscal year, have not yet begun or are delayed. Because of this and because receipt of the funds requested in the July 1997 reprogramming was delayed until FY 1998, INS now expects to have reduced the level of applications pending to about 10 to 12 months, on average nationwide, by the end of FY 1999. To accomplish this, the INS will need to complete approximately 2 million applications during FY 1999.

#### **What Does INS Need to Reach the 6 Month Goal?**

Congress has requested that the INS identify the additional resources that would enable the INS to reach our 6 month goal more quickly. Backlog reduction. However, is not an oversight process. Personnel resources, other than overtime funding, require recruiting, hiring, security clearances, and training before they have an effect on pending caseload. First of all, let me make it clear that we are not asking for funding at this time. Having said that, however, assuming, hypothetically, that we were to receive additional resources by July 1998, we outline three projected pending levels in the chart below:



(1) if we receive no additional staff or funding and implement none of our planned process improvements;  
 (2) if we implement planned process improvements, but receive no additional staff or funding; and (3) if  
 we implement process improvements and receive additional staff and funding. These projections are  
 based on acquiring additional resources by July 1, 1998 and retaining them through FY 2000.

Pending at the end of FY 1999 (in Months)		
(1)	No process improvements & no additional staff	31
(2)	Process improvements, but no additional staff	10 - 12
(3)	Process improvements & additional staff	6

We have developed the chart below to demonstrate in months corresponding increases in  
 application completions, and decreases in pending applications for each increase in the number of  
 adjudicators. Support staff and resources are determined based on the number of adjudicators allocated.

<u>Positions</u>	<u>FY 1999 Completions (in Millions)</u>	<u>Pending (in Months)</u>
Base Staff	1.98 - 2.01	10 - 12
Base + 150	2.2	8
<b>Base + 290</b>	<b>2.4</b>	<b>6</b>
Base + 400	2.5	5

To bring waiting times to 6 months by the end of FY 1999, INS would require \$97,661,000 and  
 290 positions in funding for use through FY 2000. These amounts break down into \$44,061,000 for 290  
 adjudicators, \$16,600,000 for temporary applications clerks, \$6,150,000 in contract landing, \$19,600,000  
 to cover both INS costs and Investigation FBI charges to reprint approximately 500,000 applicants with  
 expired FBI background checks, \$3750,000 for costs associated with records support, and \$7,500,000 for  
 overtime. These estimates rely heavily on assumptions enumerated above, including that these additional  
 resources would become available by July 1, 1998.

Thank you for your interest in our efforts to reduce the pending naturalization caseload. We share  
 your commitment to improving customer service and shortening waiting times naturalization applicants.

Attachment 1  
Allocation of FY 98 Permanent and  
Term Adjudication Positions to date

District	Distribution of Positions		
	Permanent <sup>2</sup>	Term <sup>3</sup>	Total
Servicewide Totals	121	400	468

<b>Eastern Regional Totals</b>	<b>43</b>	<b>173</b>	<b>201</b>
Eastern Regional Office	2	0	2
Atlanta	2	3	4
Baltimore	2	1	2
Boston	4	10	14
Buffalo	1	0	0
Cleveland	1	0	0
Detroit	2	0	1
Miami	7	71	76
Newark	3	14	16
New Orleans	2	0	1
New York City	11	68	77
Philadelphia	2	1	2
Portland, ME	1	0	0
San Juan	1	0	0
Washington, DC	2	5	6

<b>Central Region Totals</b>	<b>26</b>	<b>56</b>	<b>71</b>
Central Regional Office	2		2
Chicago	6	24	28
Dallas	3	10	12
Denver	2	4	5
El Paso	2	4	5
Haringen	2	2	3
Helena	1	0	0
Houston	3	9	11
Kansas City	1	0	1
Omaha	1	0	0
San Antonio	2	3	4
St. Paul	1	0	0

<b>Western Region Totals</b>	<b>39</b>	<b>171</b>	<b>196</b>
Western Regional Office	2	0	2
Anchorage	1	0	0
Honolulu	1	0	0
Los Angeles	15	94	104
Phoenix	4	9	11
Portland, OR	1	1	1
San Diego	4	7	10
San Francisco	8	53	59
Seattle	3	7	9

<sup>2</sup> 121 Permanent positions were allocated in the 1998 Appropriations Act to compensate for the additional time required for case processing under NQP. 13 of the positions will be distributed at HQ for program management purposes.

<sup>3</sup> 400 term positions were allocated in the 1998 Appropriations Act. These term positions may be extended up to 4 years on a year by year basis.

Attachment 2  
Naturalization Applications Pending  
and Actual Wait Times by INS District

District	Pending Applications (Nov 1997)	Actual Wait Time (as of Jan 1998) <sup>4</sup>
Servicewide Total	1,732,842	14

<i>Eastern Region</i>		
Atlanta	28,293	20
Baltimore	14,980	7
Boston	37,680	13
Buffalo	6,265	11
Cleveland	9,081	9
Detroit	18,179	11
Miami	178,803	16
Newark	48,120	13
New Orleans	6,691	8
New York	255,230	17
Philadelphia	25,470	12
Portland, ME	937	10
San Juan	5,247	13
Washington	14,781	11

<i>Central Region</i>		
Chicago	99,564	19
Dallas	58,961	18
Denver	16,314	14
El Paso	34,186	14
Harlingen	25,665	17~
Helena, MT	2,912	12
Houston	43,996	16
Kansas City	7,692	5
Omaha	4,821	14
San Antonio	23,257	11
St. Paul	7,739	10

<i>Western Region</i>		
Anchorage	1,032	4
Honolulu	7,770	8
Los Angeles	438,557	12
Phoenix	44,077	16
Portland, OR	9,776	8
San Diego	52,172	10
San Francisco	188,116	14
Seattle	16,478	8

<sup>4</sup> Based on Actual Wait Time as reported by District Offices for applicants naturalized in January 1998. Wait times do not include estimations for applications not data entered.